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Chicago Daily News
New York Times

U.S. Sues Papers on Joint Wire

NEW YORK (AP)—The Justice Department has filed suit to end the arrangement the New York Times and the Chicago Daily News-Sun Times have made for their news services to share a single teletype system and sales force.

The civil antitrust action alleges the joint operation will lessen competition between the two news services substantially and will generally decrease competition among supplemental wire services.

It alleges that the two services had been in "substantial competition" prior to an agreement, effective Feb. 1, that both would be promoted and sold through New York Times Sales, Inc.

Prior to Feb. 1 each service leased its own wire and maintained its own sales force, the suit said.

The two publishers involved said they will resist the suit. They said the news services will remain independent editorially and managerially and that the shared-wire agreement increased their opportunities for distribution.

Atty. Gen. John N. Mitchell announced the suit. It was filed yesterday in U.S. District Court in Brooklyn against The New York Times Co., New York Times Sales, Inc.; and Field Enterprises, Inc.

The New York Times Sales, Inc. is a wholly owned subsidiary of the New York Times Co., and produces and distributes the New York Times News Service. The Chicago Daily News-Sun Times News Service is produced and distributed by Field Enterprises, Inc., which publishes the Chicago newspapers.

(The Star uses both services. The New York Times News Service distributes stories written by staff members of The Times and The Star.)